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DE RUEHSG #0088/01 0281525
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FM AMEMBASSY SANTIAGO
TO RUEHC/SECSTATE WASHDC 4338
INFO RUEHAC/AMEMBASSY ASUNCION 3740
RUEHBO/AMEMBASSY BOGOTA 2267
RUEHBU/AMEMBASSY BUENOS AIRES 1255
RUEHBR/AMEMBASSY BRASILIA 0652
RUEHCV/AMEMBASSY CARACAS 1927
RUEHPE/AMEMBASSY LIMA 5928
RUEHMN/AMEMBASSY MONTEVIDEO 4200
RUEHQT/AMEMBASSY QUITO 2113
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RHEHNSC/NSC WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RUCPDOG/DEPT OF COMMERCE WASHDC

UNCLAS SANTIAGO 000088

SIPDIS

STATE FOR R/MR, I/PP, WHA/BSC, WHA/PDA, INR/IAA

E.O. 12958: N/A

TAGS: [KMDR](#) [KPAO](#) [PGOV](#) [ECON](#) [PREL](#) [SNAR](#) [EFIN](#) [CI](#)

SUBJECT: CHILE MEDIA REPORT - JANUARY 28

Leading Stories

1. Dailies continue to cover as front page news the 1994 Mirage purchase scandal and the economic crisis, highlighting that unemployment in Santiago is up to 9.7%. President Obama's interview with Al-Arabiya is also highlighted.

U.S.-Related News

2. Headline: "Obama gives his first official interview to Arab TV Al-Arabiya: 'We are not your enemies.'"
Subheadline: The U.S. President even spoke about Osama bin Laden and stated very clearly that a strategy will be developed after Special Envoy George Mitchell visits the Middle East.
Photo caption: "Major effect: The President made his debut on a Muslim (TV) station (La Segunda, 1/27)."

3. Headline: "Obama Pals with Arab Station."
"Obama has had it with fighting: 'We Americans are not your enemies,' he told Al-Arabiya in his first interview with an Arab station. He said he would 'lend his hand to Muslims,' but not to terrorists" (Las Ultimas Noticias, leading-circulation, popular, circ. 140,000, 1/28).

4. Headline: "Obama says he is willing to 'lend a hand' to Iran"
Subheadline: The U.S. President sent the Muslim world a sign by giving an interview with Arab station Al Arabiya. He assured that his country is willing to listen to all parties involved in the conflict in the Middle East and that the United States "is not an enemy" of the Muslim world (La Tercera, conservative, independent, circ. 101,000, 1/18).

5. Headline: "New Relations: Obama's first official interview was with an Arab network"
Subheadline: The President made a gesture that would have been impossible to see with President Bush. He told the Islamic world, "Americans are not your enemies" (El Mercurio, 1/28).

Cuba

6. The Miami Herald ran an article headlined, "Chile looks for rapprochement with Havana," that reproduces Foreign Minister Alejandro Foxley's remarks to Chilean daily La Segunda on January 23. In that interview, Foxley said, "The Cold War is over and Chile is interested in having some degree of closeness and exchanges with Cuba, because if it truly joins the Latin America community there

will be a series of issues in which we want our voice to be heard (La Segunda, conservative, afternoon, circ. 33,000, 1/27).

ICC

¶17. The government and the opposition alliance have a consensus bill that would allow Chile to ratify the International Criminal Court (ICC) during the first semester of this year, said Secretary General to the Presidency Jose Antonio Viera-Gallo. He said the goal is to submit the bill to Congress in March (La Segunda, 1/27).

Trafficking in Persons

¶18. A 35-year old woman from the Dominican Republic, who arrived to Chile to work in a beauty parlor, was held captive by a couple and forced into prostitution for eight months. She was rescued by a fireman. The National Women's Service (Sernam) has given the woman psychological and legal assistance. Sernam Minister Laura Albornoz regretted that the bill in Congress to punish "trafficking in persons" has not yet been approved (La Segunda, (1/27)).

Corruption

¶19. The judge investigating the irregular sale of Belgium Mirage airplanes to Chile has expanded the probe to the sale of 202 Dutch Leopard tanks for US\$80 in 1997, when General Pinochet was still head of the Army, and the acquisition of communications equipment and radars from British company Racal (La Tercera, conservative, independent, circ. 101,000, 1/28).

¶10. The former chief of the Investigations Police (PDI) Telephone Monitoring Department, sub prefect Jorge Donoso Zabala, was sentenced to 541 days in prison. Donoso confessed to burning a tape with telephone interceptions of the former director of the Civil Registry who was under investigation for an array of illegal activities during his tenure. Donoso failed to turn in the tape at the request of the Public Ministry in August (La Segunda, 1/27).

¶11. Sheriff Edgardo Bastidas, of the Investigations Police Special Brigade (Bipe), and former PDI official Fernando Torres, were charged with obstruction of justice and receiving bribes. The two helped smuggle into the country illegal merchandise. Telephone taps revealed the existence of a warehouse in Santiago with merchandise worth millions of pesos, including pirated Nike tennis shoes, sunglasses, CDs, and an array of other products (El Mercurio, conservative, influential newspaper-or-record, circ. 129,000, 1/28).

Military

¶12. The International Institute for Strategic Studies (IISS) in London reports that Latin America's military expenses increased 91% from 2003 to 2008. The institute, however, states that most countries are renewing material that dates back to the 50s and 60s and does not reflect an arms race. Reportedly, Venezuela experienced the largest military growth due to its acquisitions from Russia as a result of the U.S. embargo that prevented Chavez from renewing its F-16 fleet. Chavez spent US\$4.4 billion on Russian weapons and there is the possibility he will buy SU-30s fighter jets, transportation aircraft SII-76, Kilo submarines and MI-28 helicopters, and might even turn to China to diversify its acquisitions (El Mercurio, 1/28).

Narcotics

¶13. The Investigations Police (PID) dismantled an organization of Chileans and Peruvians establishing a laboratory in the community of Padre Hurtado that was processing 52 kilos of high quality cocaine (La Segunda, 1/28).

SIMONS